

From: "Tricia" <HomebuyerEd@okacaa.org> on 04/06/2004 04:30:22 PM
Subject: Regulation BB - Community Reinvestment Act

Federal Reserve System
Regulation BB; Docket NO. R-1181
Community Reinvestment Act Regulations

While I appreciate there is a great need for decreasing the regulatory burden we place on our institutions, the proposed changes to the Community Reinvestment Act will be counterproductive to the housing goals of this administration and several programs I work with in Oklahoma. I am particularly concerned with the changes to the size of the organizations affected by CRA requirements because Oklahoma depends on small and medium size banking institutions.

It is the goal of the Oklahoma Homebuyer Education Association and its coalition of housing industry professionals from business, government and non-profit sectors to increase homeownership rates by developing a qualified market of potential buyers, particularly among minority populations. We can demonstrate that at a time when financial literacy is at a crisis level in American we give 3,000 people each year the skills to chose financially sound behaviors that ensure their future. But we can't do it if the priority for community involvement provided by the CRA incentives is taken away - particularly from the medium size banks that we rely upon for staff participation and financial support.

Reinvestment in the community, particularly through branch locations and services that educate citizens on financial literacy, should be viewed as good business by financial organizations, not as a regulatory burden! Money Smart, JumpStart, Homebuyer Education and other programs promote the use traditional services instead high-cost alternative services. Avoiding high-cost services translates to additional purchasing power and less reliance on tax dollars to provide assistance. Traditional financial institutions must be encouraged to be as accessible and as inviting as the high-cost alternatives.

I urge you to step back and look at the larger picture. This administration has set goals for providing financial stability through homeownership. They also seek to reduce entitlement costs by encouraging citizens to select private health care and investment plans. People will not chose these alternatives if we do not give them the skills they need to raise their comfort level. Those who best understand finance must participate in providing ever-advancing levels of financial literacy to our citizens.

I urge you to at least maintain the current categories and levels for community reinvestment.

Patricia K. Auberle, Coordinator
Oklahoma Homebuyer Education Association
Oklahoma Association of Community Action Agencies

Tricia Auberle, Coordinator
Oklahoma Homebuyer Education Association
HomebuyerEd@okacaa.org
www.HomebuyerEducation.info

